

**MINUTES OF A THE FINANCE COMMITTEE MEETING
OF THE PARK DISTRICT OF HIGHLAND PARK
HELD ON MAY 16, 2023, 8:02 AM.**

A motion was made by Commissioner Ruttenberg and seconded by President Grossberg to allow Vice President Freeman to participate by electronic means.

Present: Commissioner Bernstein, Commissioner Ruttenberg, Vice President Freeman, President Grossberg

Absent: None

Also, Present: Executive Director Romes; Deputy Director Carr, Director Peters, Director Smith, Director Voss, Director Murrin, Manager Ochs, Manager Schwartz, Manager DiTomasso, Manager Kutscheid, Manager Baczek, Manager Reyes

Guest Speaker: Martha Trotter, Sikich LLP

Additions to the Agenda

None.

West Ridge Park and Site Project Update

Manager Schwartz reported that Holabird and Root presented the preliminary planning study update based on the BerryDunn program assessment at the May 10, 2023 Park Board Meeting. At that meeting, the Park Board reached consensus to proceed with the approach presented. Staff reviewed a design proposal from Holabird and Root in an effort to apply for the IDNR PARC Grant which is due on June 15, 2023.

Manager Schwartz reported that staff are looking for consensus to move forward with a Design Contract from Holabird and Root for this project.

Commissioner Ruttenberg would like to know if the Park District will be penalized for indicating in the PARC Grant a room will be dedicated for a specific program and during construction wishing to use that dedicated room for a different program.

Manager Schwartz reported that the Park District would need to get permission from IDNR if they wish to use a dedicated space for a program not listed on the original grant application.

Staff received consensus from the Finance Committee to move forward with a Design Contract from Holabird and Root for this project.

Centennial Ice Arena Project Update

Manager Schwartz reported that user groups have indicated that the size of the newly renovated locker rooms are too small due to the ADA accommodations. Staff are working with Woodhouse Tinucci to explore long-term solutions to increase the size of the locker rooms and are looking at utilizing the multipurpose room as a temporary solution in the meantime.

Commissioner Bernstein feels this is a high priority and is frustrated that this occurred.

President Grossberg is trying to keep an open mind, but he shared Commissioner Bernstein's frustration.

Commissioner Ruttenberg suggested that the Woodhouse Tinucci cover the costs to increase the locker rooms, rather than the Park District.

Manager Schwartz reported that the facilities team with the Park District if working diligently to bring gymnastics back to Centennial Ice Arena, this includes light and flooring replacement and repainting the space. Staff anticipates the total costs for the in-house repairs will be under \$50,000, however, this was not budgeted this year. Staff will pull capital funds budgeted for 2024 to cover the costs.

Recreation Center of Highland Park Fitness Floor Enhancement

Executive Director Romes reported that the proposed enhancements do not require Park Board approval, however, since there are costs associated with the enhancements staff wanted to share these changes with the Finance Committee.

Manager DiTomasso reported that staff would like to enhance the fitness floor by developing a multi-generational space by installing turf. Staff visited neighboring park district fitness centers (Wilmette, Glenview, and Buffalo Grove) and private clubs (Midtown, Pulse, LA Fitness, X-Sport, and Bears Fit) to explore their multi-generational spaces and get feedback from their users. Their users (members and trainers) provided an overwhelming amount of support for the development of a multi-generational space as it keeps with the current fitness trends.

The Finance Committee supports the proposed enhancements to the fitness floor at the Recreation Center of Highland Park.

Presentation of the 2022 Annual Comprehensive Financial Report

Ms. Trotter, Sikich LLP, presented a draft of the Park District's Annual Comprehensive Financial Report.

Director Peters reported that staff will request approval from the Park Board of Commissioners for the Annual Comprehensive Financial Report at the May 24, 2023 Regular Meeting.

Certificate of Achievement for Excellence in Financial Reporting for 2021

The District continues to present a report that meets the Government Finance Officers Association (GFOA) standards and as a result, has been awarded the Certificate of Achievement for Excellence in Financial Reporting. Sikich anticipates the District will continue to trend in that direction based on the report that has been prepared this year and will be issued in June.

Independent Auditors Report

Sikich LLP provided an unqualified opinion, which is considered to be a clean opinion, which is the highest level of assurance they can provide on the financial statements.

Management's Discussion and Analysis

This is prepared by Park District staff which provides a great deal of context for the financial highlights.

Statement of Net Position

This provides the basic financial statements presented on a full accrual basis of accounting, which includes the District's long-term assets and long-term liability balances. Total net position is \$70,723,393.

Balance Sheet

This is presented on a modified accrual basis of accounting, excluding long-term items. The General Fund has \$4.8 million. Conversely, the Recreation Fund has \$6.7 million.

Required Supplementary Information

Budgeted vs. actual performance are detailed in this section.

Statistical

Outlines 10 years of historical data including tax collections, levies, etc.

President Grossberg commended the Park District's Finance team continuing to present a report that meets the Government Finance Officers Association (GFOA) standards and as a result, has been awarded the Certificate of Achievement for Excellence in Financial Reporting.

President Grossberg would like to know if the budget is ever set up to reduce the taxpayer's percentage.

Director Peters reported that the Park District aims to rely on around 50% of taxpayer support.

Commissioner Bernstein reported that the Park District's philosophy has always been a 50/50 split for taxpayer support.

Executive Director Romes reported that the Park District has over 900 acres of open space to maintain so it would be challenging to reduce our philosophy.

Commissioner Bernstein requested that President Grossberg contact Director Peters to schedule dates to go over the 2024 budget, since the budget has just commenced.

Commissioner Ruttenberg would like to know if the Park District's net worth is much higher than the amounts documented in the audit due to land assets.

Ms. Trotter and Director Peters agreed that the District's actual net worth is higher due to the Park District's land assets.

Board Communication

There are no material weaknesses or significant deficiencies based on testing. This is a required communication to those charged with governance. No difficulties were encountered, conversely, there were no adjustments recommended by the auditors. The numbers received for the audit were only adjusted once. As a result, the monthly financials provided by staff are accurate as the adjustment was made to the long-term balances.

Commissioner Bernstein commended staff for the clean audit.

Lincoln Park Playground Project Update

Director Smith reported that the Tot Lot playground at Lincoln Park is identified in the Park District's Capital Plan and scheduled for replacement in 2023. There is a 5-12year old playground adjacent to the tot lot playground, which will be removed as requested by NSSD112 with the closing of Lincoln School. Staff would like to schedule a Lakefront, Parks, and Natural Areas Committee Meeting to discuss exploratory options for a 5-12year old playground at Lincoln Park, and potentially adding this project to the Tot Lot Playground project.

It was the consensus of the committee to contact community development to try and acquire funding for the tot lot and 5–12year old playground furthermore, he would like to put this project on hold until it is determined what NSSD112 is doing with the property.

Staff will further discuss this project at a June Lakefront, Parks, and Natural Areas Committee Meeting.

May 2023 Bid Results

A. *Larry Fink Memorial Park Baseball Field Improvement project*

Director Smith reported that the cost estimate for this project was \$1.8 million. The Park District received two bids for this project, both came in significantly over the estimate. AJ Oleson Construction was the low bidder at \$2.5 million. Staff contacted AJ Oleson to explore alternates to reduce the cost to under \$1 million. Staff will provide an update at the Regular Meeting with the alternates costs. If approved, construction would begin in July, substantial completion would be in October, and the field would be open for use in April 2024.

Staff would like direction from the Finance Committee regarding the next steps: bring the bid from AJ Oleson Construction Company to the Park Board of Commissioners for approval or go back to Gewalt Hamilton to develop a different more costly approach.

Executive Director Romes reported that the goal of this project was multi-use accommodating several age groups. Staff have meetings scheduled with the Fox Family, regarding the donation if 14U was removed to reduce the cost.

Commissioner Ruttenberg would like a cost analysis done to determine revenue lost from eliminating 14U usage from the baseball field.

Commissioner Bernstein reported that the price tag has more than doubled to allow usage for 14U. He does not think 14U will work at this site, due to site constraints. He supports developing a baseball field for 8U-13U with all the bells and whistles at Larry Fink Memorial Park, so long as the donor still supports the project.

Commissioner Ruttenberg, Vice President Freeman, and President Grossberg supports Commissioner Bernstein's recommendation.

Staff received consensus from the Finance Committee to pursue an 8U-13U option for around \$1 million, so long as the donor still supports the project.

B. *Heller Nature Center Blue Trail Improvements project*

Director Smith shared a trails map. The Park District received two bids for this project. The low bidder was Absolute Home Improvements, which is under budget. If approved by the Park Board

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of Commissioners construction would commence in July and staff anticipate the project would be completed in August.

Staff received consensus from the Finance Committee to place the bid from Absolute Home Improvements on the consent agenda at the May 24 Regular Meeting.

Ordinance #2023-05: Authorizing and Providing for the Conveyance or Sale or Surplus Personal Property

Director Peters reported that the Park District is looking to dispose of tennis balls.

Staff received consensus from the Finance Committee to place Ordinance #2023-05 on the consent agenda at the May 24 Regular Meeting.

Other Business

None.

Open to the Public to Address the Board

None.

Adjournment

The meeting adjourned at 9:45 a.m.

Respectfully submitted,

Roxanne Hejnowski

Roxanne Hejnowski, Assistant Secretary